MINUTES

MONTANA HOUSE OF REPRESENTATIVES 59th LEGISLATURE - REGULAR SESSION

SELECT COMMITTEE ON EDUCATION

Call to Order: By CHAIRMAN MONICA LINDEEN, on March 10, 2005 at 3:20 P.M., in Room 137 Capitol.

ROLL CALL

Members Present:

Rep. Monica Lindeen, Chairman (D)

Rep. Bill E. Glaser, Vice Chairman (R)

Rep. Norma Bixby (D)

Rep. Dave Gallik (D)

Rep. Verdell Jackson (R)

Rep. Holly Raser (D)

Rep. Pat Wagman (R)

Members Excused: None.

Members Absent: Rep. Tim Dowell (D)

Rep. Bob Lake (R)
Rep. Jon Sonju (R)

Staff Present: Connie Erickson, Legislative Branch

Kim Leighton, Committee Secretary Chris Lohse, Legislative Branch Eddye McClure, Legislative Branch Jim Standaert, Legislative Branch

Please Note. These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing & Date Posted: SB 177, 3/8/2005

Executive Action:

HEARING ON SB 177

Sponsor: SEN. DON RYAN, SD 10, GREAT FALLS

Opening Statement By Sponsor:

SEN. RYAN opened discussion on SB 177, which deals with quality education. He touched on SB 152. He hopes to narrow the gap between funding in elementary schools versus high schools. He addressed the issue of declining enrollment. He added that this bill has been labeled the, "Stop the bleeding bill."

{Tape: 1; Side: A; Approx. Time Counter: 0 - 16} (REP. VERDELL JACKSON left.)

Proponents' Testimony:

Lance Melton, Montana School Board Association (MTSBA), provided two documents to support his testimony. He highlighted graphs that illustrate the benefits of SB 177.

EXHIBIT (esh53a01) EXHIBIT (esh53a02)

{Tape: 1; Side: A; Approx. Time Counter: 16 - 28.1} (REP. TIM DOWELL entered.)

{Tape: 1; Side: A; Approx. Time Counter: 28.1 - 29.9} (REP. BOB LAKE entered.)

{Tape: 1; Side: A; Approx. Time Counter: 29.9 - 31.5} (REP. JON SONJU entered.)

Ann Bellwood, School Board Chairman, Sun River Valley School, stressed the need for funding. She spoke about the old buildings they have and the problem of cutting classes and teachers.

{Tape: 1; Side: B}

Leslie Bellwood, Sun River Valley School, spoke on behalf of her friends at school. She is a 6th grader who supports this bill because it will help her school out a lot. Without the provisions of the bill, she might not have the same teachers. She provided the Committee with a petition that some of the students and teachers signed.

Dave Puyear, Montana Rural Education Association (MREA), stands in support of SB 177. He reflected on several of Mr. Melton's

comments. He urged the Committee to look at the amendments Mr. Melton provided.

{Tape: 1; Side: B; Approx. Time Counter: 0 - 7.5} (REP. VERDELL JACKSON entered.)

Dan Martin, Billings Public Schools, stated that there are problems with funding right now. He explained how SB 177 would help. Mr. Martin reiterated that they have already shut down three elementary schools in Billings. He added that health insurance is increasing by 28% next year. He emphasized that they have to shuffle classes, resources and students around to conform to their budget. He also touched on cash funds that are re-appropriated.

Madalyn Quinlan, Office of Public Instruction (OPI), attested that she is thankful for the additional \$41 million over the inflationary index. She commented on soft caps. She also touched on the OPI website. It enables people to see how different school districts would benefit from SB 177.

{Tape: 1; Side: B; Approx. Time Counter: 7.5 - 23}

Opponents' Testimony:

Eric Feaver, Montana Education Association-Montana Federation of Teachers (MEA-MFT), stood in opposition stating this is a flawed bill.

Jack Copps, Montana Quality Education Coalition (MQEC), stated initially he teetered on his position on SB 177, and now believes that it will not work. He said, "SB 177 is not adequate relief."

Darrell Rud, School Administrators of Montana (SAM), stood in opposition to SB 177.

Bruce Messinger, Helena Public Schools, provided some statistics on Helena Public Schools as to how this will not help. He offered a suggestion that people meet and discuss what they need with certain Representatives.

EXHIBIT (esh53a03)

{Tape: 2; Side: A}

Informational Testimony: None.

{Tape: 2; Side: A; Approx. Time Counter: 0 - 6.2}

Questions By Committee Members:

REP. GALLIK asked Mr. Feaver how they can fund education if this bill does not pass. **Mr. Feaver** stated that they need to break the enrollment-based funding system. He added that the K-12 Statewide Health Insurance Program (SHIP) will help the funding problem.

REP. GALLIK redirected the question to Mr. Melton and asked him to include the cap. **Mr. Melton** attested that they are operating on two types of caps this session. One is a statutory cap and the other is a perceptual cap. He explained how these work.

{Tape: 2; Side: A; Approx. Time Counter: 6.2 - 17} (CHAIR LINDEEN left and VICE-CHAIR GLASER assumed the chair.)

REP. JACKSON asked Ms. Quinlan if she has any suggestions on what they can do to the formula without destroying it.

{Tape: 2; Side: A; Approx. Time Counter: 17 - 20.4} (CHAIR LINDEEN returned and assumed the chair.)

Ms. Quinlan offered a recommendation of providing a mechanism for the budget to grow.

REP. GLASER wished to assume that this bill is not enough. He added that it appears to him they might be able to craft something within this bill that might help the schools. SEN. RYAN stated that if they can fund the first year without harming any school districts, there will simply be a different set of winners and losers once the money is shuffled around. He added that anything done will be short-term relief. He also recalled a bill that was heard last session and discussed the action that was taken.

{Tape: 2; Side: A; Approx. Time Counter: 20.4 - 27.1} (REP. PAT WAGMAN entered.)

REP. GALLIK asked REP. GLASER to discuss part of his statement. **REP. GLASER** explained the amounts to the Committee and how it would help.

REP. JACKSON asked Ms. Quinlan about re-appropriating money at the end of a school year. Ms. Quinlan said she believes it is a good idea. She added that they can price-tag it and explained this. REP. JACKSON asked about declining enrollment and how that affects the funding formula. Ms. Quinlan explained these dollar amounts to the Committee. REP. JACKSON asked what would happen

if they had \$80 million appropriated, but only used \$70 million. He inquired what would happen to the \$10 million dollars remaining. Ms. Quinlan stated that declining enrollment projections are appropriated into the funding before-hand.

{Tape: 2; Side: B; Approx. Time Counter: 0 - 7.2}

Closing Statement By Sponsor:

SEN. RYAN touched on the spending cap. He added that they do have a budget constraint; there is a limited amount of dollars. He also said that individuals should have faith in the House.

CHAIR LINDEEN closed the hearing with general announcements.

Leslie Bellwood provided a petition signed by several students and teachers in support of SB 177. **EXHIBIT (esh53a04)**

ADJOURNMENT

Adjournment:	5:05 P.M.				
		 REP.	MONIC	CA LINDEEN	, Chairman
			KIM	LEIGHTON,	Secretary

ML/kl

Additional Exhibits:

EXHIBIT (esh53aad0.PDF)